

CHAPTER XXIV

THE NEW ERA IN POLITICS

THE old order has gone, never to return. The war has discarded the economic and political ideas which have dominated our life for three centuries. The *laissez-faire* philosophy that the government should do as little as possible is a thing of the past. It was the natural and the inevitable philosophy of a people endowed with a continent so rich in every resource that we felt it could never be exhausted. We could hardly wait until our inheritance had been squandered.

Unfortunately, we did not distinguish between the things the state should retain and the things that should be open to private possession. We did not distinguish between the activities which the state itself should perform, if it desired to preserve freedom for all, and the activities which could be left in private hands. Had we done so, had we taken guidance in recent years from the experience of other countries, we would not now be facing the gravest problem that can confront a nation.

And the condition of agriculture is a direct consequence of this policy. We have wasted our resources and permitted hundreds of millions of acres

of land to pass out of our hands into the possession of speculators. These and other forces are destroying agriculture. A diminishing agricultural population means diminishing food production. Increasing city population means increasing food consumption. This means an increasing cost of living, an increase that is bound to continue unless a violent reversal of our land policy is brought about. The city uses up people. It destroys their virility. The country is the great vitalizing force. Yet people are being crowded off the land, not because they are unwilling to go to it, but because our land laws, transportation agencies, inadequate credit, and marketing facilities are gradually stifling the agricultural life of the nation and bringing about premature agricultural decay. In my opinion America is face to face with the gravest kind of a problem. In some respects it is one of the gravest economic problems that has confronted the country. We cannot have a healthy life unless we have a healthy agriculture. We cannot have healthy agriculture unless economic and social conditions make agriculture attractive. And students of the subject are coming to see that this can only be brought about by the interposition of the government in an intelligent, constructive, and scientific way to protect agriculture as well as the farmer from the exploitation from which he is suffering.

The policy we have pursued has brought us face

to face with one of two consequences. Either we will travel the road of Rome and Great Britain, in which countries agriculture was destroyed by bad economic conditions permitted or created by the state, or we will dedicate ourselves courageously to the ending of the abuses and apply the surgeon's knife to the privileged interests that have gained such control of the economic foundations of our life that farming must inevitably cease to be a profitable occupation. If present tendencies continue we will not be able to feed ourselves. Food prices will rise to exorbitant heights. The standard of living of the poor and even of the well-to-do will be lowered. The future of the United States is involved in the agricultural problem, which is the primary industry on which the life of the state depends.

Bad as is the system of distribution, costly as it is to the consumer and to agriculture, it is far less ominous to our national life than the economic conditions under which farming is compelled to be carried on, conditions which have become so bad that only a big, revolutionary change of attitude by the States and the nation will save it from decay and the farm from extinction.

Rome survived many disasters; she could not survive the disappearance of husbandry in Italy. It was the source of her power. When the Roman farmer was driven from the land and crowded into the cities, there to exist by such labor as there was,

aided by state doles, the nation deteriorated and with it the moral and political fibre of the people. And while ancient Rome is separated by two thousand years from the United States, the causes for the decay of Roman life are the same as those which are undermining the farm in America to-day.

Great Britain has passed through the same evolution and for the same reasons. Two centuries ago England was self-contained. She fed herself. The English yeoman is one of the traditions of the nation. Industry came. The land which had once been owned in common by all of the people or tilled under a system of freehold or easy feudal tenure, passed into great estates, which were let out to tenants at competitive rents, or were dedicated to sport or to grazing. Year by year the number of people engaged in agriculture diminished and year by year the acreage devoted to food was reduced. Those who owned the land lived from the profits of industry, shipping, banking, and the ground-rents of the cities. They were indifferent to the land, because it was not necessary that they should cultivate it, while the laws of the country and the system of tenancy and of taxation discouraged free ownership and encouraged the idle holding of the land. At the present time one-half of the land of England is owned by 2,500 persons, while scarcely 300,000 people out of 43,000,000 have any interest in the land through ownership at all. There are few owning farmers in

England. The agricultural population is a tenant population. The same thing happened to Ireland, which unhappy country lost one-half of its people as a result of alien landlordism and the excessive rentals which were exacted from the cotters by the English landlords, who lived in London from the rentals of their estates. Ireland has been greatly improved by the legislation of the last generation, under which a large part of the land has been acquired by the state and divided into small holdings, which are sold to the tenants on easy terms. But England has refused to extend the Irish land acts to England, Scotland, and Wales, while the system of taxation, by which the local taxes are borne by the tenant, while the land itself is practically free, has placed such a premium on idle land holding that the great-estate-owners find it to their profit to hold land out of use or to cultivate it carelessly or use it for pleasure.

As a result of the land and taxation laws four persons out of five in the United Kingdom live in cities. Only 20 per cent. of the population is on the land. The population is driven to the towns, where it competes with the labor already there, keeping down wages, forcing up tenement rents and gradually weakening the strength and fibre of the people. Underlying the other explanations of the condition of England is the decay of agriculture, the system of landownership and the exclusion of the

people from the land. This has not only made her dependent on other countries for her food supply, it has impaired the moral and physical life of the nation.

The United States has left agriculture a prey to the same economic forces. The farmer has received but little consideration in legislation. He has struggled in vain against a multitude of exploiting agencies, on the one hand, while the economic foundations of agriculture have been left to the free play of economic forces that have gradually placed an embargo upon farming and made it almost impossible for the would-be farmer to gain access to the land and make a decent living after he has gotten there.

And just as the high cost of living waits upon a wide extension of state activities to free the distributing agencies of the country from private monopoly, so the encouragement of agriculture waits on a comprehensive programme of legislation to free the would-be farmer from the prohibitive conditions that now discourage farming.

It is necessary to look at farming from a new angle. The free land has gone. The old order has ended. The new order involves provision for a new freedom. It involves freer access to the land, freedom in transportation, cheap credit, and a new organization of agriculture along socialized lines, so that the farmer will enjoy the advantages of living in communities similar to those described in the

last chapter. It requires but little imagination to visualize a farm life that would be alluring to millions of people. It has been done in the garden villages of England and Germany, where expert town-planners, architects, builders, and educators have built new towns or suburbs in which every possible convenience has been provided at a very moderate cost by the substitution of the co-operative motive for the speculative motive. Increasing land values have been kept for the community. The houses have been designed not to rent, but to sell on easy terms. Water, gas, and electric light and power have been produced by the community and sold at cost. Co-operative buying and selling have cut out the unnecessary middlemen, while provision for education and recreation has added cultivation and happiness to persons of small means, who have been lifted from the sordid surroundings of the tenement into a standard of reasonable comfort by the substitution of the co-operative motive for that of private profit and the elimination of the speculative element from the community.

The same thing can be done for agriculture. It can not only be made attractive to millions, but profitable as well. And such a programme of agriculture-building involves the various elements described in the preceding chapters, just as the problem of city-building, which has made such progress in other countries, involves the combination of simi-

lar co-operative elements. Among the measures that must be incorporated into a programme for the reclamation of agriculture are the following:

One—the taxation of land values as a means of ending speculation and the cheapening of land. Other reforms are dependent upon easy access to the land and the ending of all ownership but ownership sanctioned by cultivation. No man has a right to more land than he will use and use profitably. No man has a right to withhold the resources of the earth from others. Land is the common endowment of humanity. It is the gift of nature to all people. The only title sanctioned by justice is the title of use, and taxation is an easy method and a just method for opening up the resources of the earth to labor.

Two—credit must be socialized. Next to the land it is the most essential of all elements to the encouragement of agriculture. There is no reason why the farmer should pay 10 per cent. interest on his loans for the mere privilege of transportation to the market. Certainly it is one of the absurdities of our system that money can be had by hundreds of millions for speculation on the stock exchange, for speculation in wheat and corn and meat, in eggs and in poultry, at from 3 to 5 per cent., while the farmer, with the best security in the world, has to pay from 10 to 12 per cent. for his commercial loans.

Credit should be an agency for production. Bank-

ing should be an agency of service. Yet our credit resources are concentrated in the speculative centres, principally in New York, when if our banking system were designed for service and adjusted to the encouragement of production, it would be distributed as widely as possible throughout the country.

Agriculture waits on such an extension of the farm-loan act that the farmer can borrow to market his crops, so that the tenant can borrow to operate his holding, so that the tenant and the farm-laborer can borrow to buy a piece of land and become a home-owner. We must end the conditions described in earlier chapters in Texas and Oklahoma, where the farmers and the tenants are the prey of the banks, which make use of their power not only to keep the farmer in subjection but to secure possession of the land by foreclosure as well.

Three—tenancy must be ended. It has no place in any country, least of all in America. Tenancy is a curse to the tenant. It is a curse to the land. Tenancy means shiftless cultivation. It means the exhaustion of the soil. It means lack of initiative, industry, or ambition. Wherever tenancy is found there we have ignorance. There we have a decay of civic virtues. There we have the kind of conditions that prevailed in Ireland, that prevail to-day in England, that prevail in every country that has failed to concern itself over the condition of the

tenant and take steps to end these conditions by converting the tenant-farmer into a self-respecting owner. The stories of how Ireland has been converted from a land of poverty and ignorance into a prosperous country are but indicative of the change which comes even to the poorest when the alchemy of ownership is permitted to play upon the worker and awaken even the most shiftless into self-respect, ambition, and a desire for better things.

Four—all of these elements enter into and form part of the farm colony. This is the natural organization of farming. Co-operative farming is to be the farming of the future. Not compulsory co-operation; not state socialism, but the farm colony in which many of the present wastes will be eliminated and the extortion of land speculator, money-lender, and distributor will be ended. The farm colony involves cheap land. In those countries that have developed it, the entrance of the state into the market as a buyer has immediately increased the price of land. Like every other activity of society it added to the unearned increment of the owners. Land-value taxation is a necessary corollary of the farm colony. Otherwise the land speculator will reap the advantages of the change by an added burden to the colonists.

Credit, too, must be provided at a cheap rate and on easy conditions. And such credit can only be supplied by action of the state under some such

agency as the farm loan board, which is now limited in its advances to existing farmers. And in those countries which have developed the farm colony, the buyer is given from thirty to fifty years in which to pay for his purchase. His interest rate is from 4 to 5 per cent., which includes an annual payment for the amortization of the loan. In this way the farmer is relieved of the fear of foreclosure; he is free from the tyranny of the local banker, who is too often in collusion with the distant miller, warehouseman, speculator or food exchange. Cheap credit also permits of the purchase of machinery, of modern equipment and the buying of good stock, seeds, and other accessories to modern farming.

The farm colony is planned in all its details as is the garden city. There is provision for education and recreation. The houses are reasonably close together. There are stores, schools, telephones, and other accessories of modern life. Materials and supplies are bought in quantities, which reduces the cost. Co-operation is provided in buying and selling. Marketing is made easy, and the farmer is protected by the state in the marketing of his crops. The farm colony aims at the creation of a self-contained life, with as many of the advantages and pleasures which the city offers as possible.

Five—finally the means of distribution must be socialized. The story of Australia and Denmark indicate the extent to which railroads become an

agency of service when owned by the state. Freight rates are cheapened. Low rates are provided for the transport of would-be farmers from one part of the country to the other. Farm-laborers are carried where needed. Low rates are made on fertilizers and farm machinery. The local freight agent becomes the representative of the farmer in the receipt and transshipment of his produce to the state-owned abattoir, or cold-storage warehouse, while the terminals at the seaboard or in the cities are part of a nation-wide system for collective marketing with the minimum of cost to the producer and the consumer as well. The collection and grading of produce for export and sale, the substitution of a public for a private agency in the accounting of the proceeds, the organization even of water transport, are all part of the new programme of agriculture which must be undertaken by the State and the nation if we would free the production of food from the extortion of the chain of speculators and middlemen which now encompass the producer from the moment his produce leaves the farm until it reaches its ultimate destination, possibly five thousand miles away.

The motive of such a programme is not paternalism but freedom. There are some things which the state must do just to insure freedom. When these functions are left in private hands freedom is destroyed. Far from state ownership in these fields

being out of harmony with our traditions, they are of the very essence of that freedom that lies at the heart of our achievements in industry, in commerce, and in the whole economic field. Free land explains the first three centuries of our life. Free access to opportunity is the one big factor that has changed the immigrant peasant of Ireland, Scotland, Scandinavia, Italy, or Germany into the free-minded American citizen. And it is in those fields of endeavor where freedom is still preserved that American ingenuity and American skill have made the most remarkable advances.

And agriculture waits on a programme of freedom—freedom of access to the land, freedom of access to transportation and marketing and cheap and adequate credit. With these assured we can safely rely on the desires of men to take them to the land, as it has for thousands of years, in every country and in every clime, when opportunity was open to them.